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If you have questions or comments on any information contained in *The Connection*, please contact Vivian Pendleton at (360) 664-7654 or email: vivian.pendleton@ofm.wa.gov



*A Great Workforce,
Getting Better*

Washington Works website: The link to the latest in personnel system reform

A lot has been happening to reform the state government personnel system. Employees of state agencies and public colleges and universities have been attending information meetings all across the state on the effort to overhaul the 40-year-old state employment system.

"Think of this initiative as a three-legged stool, with civil service reform, collective bargaining and competitive contracting supporting a higher level of state service and efficiency for Washington citizens," said Governor Locke. "We're calling the whole effort Washington Works because we are confident it will make our great workforce even better."

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ESD Will Soon Become A Full AFRS Agency

The Employment Security Department (ESD) partnered with OFM to launch the *Single Source of Numbers* project to become a full AFRS agency at the beginning of the next fiscal year.

Until now, ESD has relied on an agency-based Federal Accounting and Reporting System (FARS) for all detailed financial management, and sent only high-level summary data to AFRS.

FARS includes the cost allocation and labor distribution functionality ESD needs to account for its federal grants.

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Sadie Rodriguez-Hawkins

Congratulations!

**to OFM Statewide
Accounting, Statewide
Financial Systems and
State Financial
Management Personnel**

Thank you for your dedication and tireless efforts in producing the state of Washington's Fiscal Year 2002 Comprehensive Annual Financial Report (CAFR).

Your efforts have once again, resulted in the state's receiving another *Certificate of Achievement* from the Government Finance Officers Association.

Your continued pursuit of excellence in financial reporting makes Washington proud!

***Thanks for your
hard work!***

Comments from the Assistant Director

A Cycle of Change - Integrating the Old with the New

In June 2000, the Department of Personnel issued a report regarding the Washington State Government Workforce. The report contained these startling statistics: "In 18 state agencies, including some of the largest, 15-29 percent of the PERS 1 workforce will be eligible to retire in the next five years. More than 50 percent of executive-level and 30 percent of mid-level managers will be eligible for retirement by 2005." At the time this report was released, 2005 seemed years away; but regrettably, time marches on.

In the last few years we've said goodbye to colleagues whom we believed would work with us forever. Most recently, we bid farewell to Terry Liberty. By the end of this month, two more employees, Nina Irwin and Carol Chatwood, will head off for new horizons.

This scenario is not unique to OFM; it is being experienced statewide. The departure of our colleagues leaves us with a tremendous sense of loss. Not only do we miss their expertise, we deeply miss their presence and the sense of continuity they brought to our workplace.

At the same time, we find ourselves greeting new staff members and with an organization moving into a *cycle of change*. We are challenged with effectively merging the *old* with the *new*, and with ensuring that the quality of life in the workplace is preserved. This requires understanding and focus on group dynamics.

According to Mary LaCourse Mauren, "Group dynamics refers to that impelling motivation, interaction and process that pulls a group together, helps them continue to be and work together toward a common goal."

Every group has two purposes: task and relationship. Achievement of these purposes is enhanced when we invite participation, create a safe environment where all ideas are heard and respected, and we are willing to explore new ways of being.

It is important for us to remember that when new folks come on board they don't bring our organizational history with them. Those of us who have been around for a while will need to coach them and, at the same time, remain open to the new ideas they bring to our workplace. We can also help them succeed by sharing our agency history, clearly defining work processes, clarifying, and seeking understanding and agreement.

The *cycle of change* is continuous for all of us; we say goodbye to the old and hello to the new. All the while, *Time* marches on...where is it taking you?

Washington Works website . .

continued from front page

The Personnel System Reform Act of 2002 ties together the interests of state managers, labor and business in changing the existing state employment system to make it more effective and more fair, while providing new opportunities for improving the way the state does business.

Civil service reform will completely revamp the system for job classification, layoffs and recruitment. Collective bargaining gives state employees represented by unions the same rights as other union workers to negotiate for wages, hours and terms of employment.

Competitive contracting allows the state to contract for services, but the law also gives state employee groups the opportunity to compete for those contracts. In order to support these changes, the state is also replacing the outdated personnel/payroll computer system with a modern human resource management system.

See the Washington Works website at washingtonworks.wa.gov for information on this combined effort to make the state's first-class workforce even better. And keep up with the latest developments in the current issue of the Washington Works newsletter, *In the Works*.

ESD Will Soon Become . .

continued from front page

The *Single Source of Numbers* project will enable ESD to manage its finances within the state's enterprise accounting and reporting systems, and preserve this essential cost accounting functionality.

Cross-Over Target Date

On July 1, 2004, ESD will begin entering all transactions directly into AFRS; the portions of FARS that are no longer needed will be decommissioned.

To this end, ESD and OFM will work together over the next nine months to 1) create a detailed ESD chart of accounts in AFRS, 2) modify the FARS cost and labor processes to work directly with AFRS, and 3) look for opportunities to streamline budget and fiscal processes. ESD staff will receive training on AFRS, web-based FASTRACK reporting, and updated business processes.

For more information on the *Single Source of Numbers* project, please contact Jack Needham at ESD jneedham@ESD.wa.gov /360 902-9423) or Susan Dodson at OFM susan.dodson@ofm.wa.gov / 360 664-7689).

A Host of Benefits Are Anticipated

Besides providing a simplified accounting, reporting, and management environment, ESD's move to AFRS and FASTRACK will:

- Free up time and energy spent attempting to reconcile two sets of financial data
- Guarantee the security and availability of ESD financial information
- Free up ESD internal IT resources to focus on core program needs
- Aid recruitment of experienced fiscal staff as vacancies occur
- Provide the opportunity to take advantage of other enterprise systems such as the Travel Voucher System, Accounts Receivable, Budget and Allotment System, and the new Financial Toolbox
- Greatly facilitate integration with the new enterprise Human Resource Management System

Activity Information - A Big Part Of The POG Budget Development

Activity information was used heavily to facilitate the *Priorities of Government* (POG) approach in developing the 2003-05 Budget and in communicating the choices. The activity framework was also used to present much of the information in the Governor's budget documents.

The OFM Budget Division and Statewide Financial Systems BASS Unit are working together to find system solutions to facilitate the development of both the agencies and the Governor's budget by activity, as well as increment. The solution will include:

- A new Activity Description entry component,
- Updates to the Budget Division WinSum System to facilitate the identification of activities related to increments, and
- Updates to the BASS BDS System to facilitate the development of decision packages by activities.

The need to modify the framework for performance measure reporting from an agency goal framework to an activity framework was also brought to light. Therefore, functionality of the Performance Measures Estimating & Tracking System (PMTES) will be migrated to the new Activity Description system and BDS over the next couple of years.

If you would like to receive automatic updates on the progress of this effort, please e-mail Vicki Rummig, vicki.rummig@ofm.wa.gov. If you have comments or questions on the proposed policy or system changes, please contact Lynne McGuire, Senior Budget Assistant, Operations at lynne.mcguire@ofm.wa.gov, or Vicki Rummig, BASS Product Manager, at vicki.rummig@ofm.wa.gov.



Blaster Worm Defense Proved Successful!

During July, a worldwide *denial of service attack* called the *Blaster Worm* was sweeping the Internet at an alarming rate of speed. On Monday August 11, the Department of Information Services (DIS) sent out an alert elevating this event to a Security Level I status. DIS also directed all agencies to 1) rapidly apply a Microsoft distributed security update, and 2) update the anti-virus protection on all agency computers.

OFM had been monitoring security alerts from multiple sources, and took action early by applying the necessary security patch during the week of August 4. Multiple anti-virus protection updates were applied during the following two weeks, as staff continued to monitor servers for signs of infection.

Due to the quick response by OFM staff, and the cooperation of our customers, Statewide Financial Systems applications were unaffected by the *Blaster Worm* and all systems remained fully functional throughout the event.



Reporting Tool

– Available By July 2005

IN RESPONSE TO CUSTOMER FEEDBACK, Enterprise Reporting (ER) will be evaluating different solutions over the next few months to address:

- Increased performance,
- Reliability of the reporting system, and
- Direct access to the data through ad hoc query tools.

There is also an opportunity to collaborate with the new Human Resource (HR) System reporting tool to research the possibility of delivering an interface that can be used jointly by HR and ER.

After the review and analysis period, a software tool will be selected. Conversion of the existing reports will take place over the following year, with full implementation by July 1, 2005. The last software upgrade to the ER FASTRACK tool occurred in October 2001 with the installation of Seagate Info 7.5.

For more information please contact Ann Bruner, Reporting Project Manager at ann.bruner@ofm.wa.gov / 360-664-7711.

Where is the Salary Projection System? Getting Closer!

The release date for the Salary Projection System (SPS) has been delayed. The delay is due to the complexity of developing a system to support the business rules for payroll/personnel, and the extensive testing effort to ensure that all data, calculations and reports are complete and accurate.

Vicki Rummig will send out a training announcement and schedule prior to production release, once the quality of the system is assured.

There is still time to request access to SPS to ensure that you receive e-mail announcements prior to production and that you have access when the system is ready. A copy of the security form can be found on the web under BASS Help at <http://bass.ofm.wa.gov/basspr/library/security.pdf> or <https://services-bass.ofm.wa.gov/basspr/library/security.pdf> for Fortress users.

OFM Hosts GAAP Videoconference



This year, OFM will again host the Governmental GAAP Update Satellite Videoconference presented by the Government Finance Officers Association (GFOA). The conference speaker will be Stephen Gauthier, Director of GFOA Technical Services.

This conference will feature a range of topics, including:

- Changed and expanded note disclosures for investments
- Recognition of losses resulting from the impairment of capital assets
- Changed statistical section

Conference Date/Location

The videoconference will be held on Thursday, November 6, 2003, from 10:00am to 2:00pm. The downlink site will be the Lewis Room of the Educational Service District #113, 601 McPhee Road SW, Olympia, WA.

GFOA charges an attendance fee. You can register on-line at GFOA's website <http://www.gfoa.org/services/training.shtml>. OFM's site code is WA04.

TALS Reaches Its First Milestone

THE VISION AND SCOPE PORTION of The Allotment System (TALS) was reviewed by stakeholder groups and distributed in September. Key highlights include the project time lines, business risks and mitigations, and the scope of the initial release. The document can be found on the Listserv described below.

At This Point, We Need Your Feedback

As part of building a single system for the development and management of appropriation and allotments, all users must be able to view common monitoring reports. The next step in the TALS development is to identify all functional requirements, including those of user reporting.

Please share with us your ideas on following items and send them to Sara Lieberman at sara.lieberman@ofm.wa.gov:

1. Which existing reports you find effective,
2. Any report enhancements you would like to see,
3. What elements are missing from the existing reports,
4. Identify any new reports that are needed, and
5. Detail any views of data that would be useful.

How Can You Stay Current on the Project?

Join the Listserv and receive up-to-date information about the TALS development efforts and future meeting announcements, or browse the archives. You can also sign up to receive mail updates at <http://listserv.wa.gov/> for BASS Topics: UGROUPAA

Information about the upcoming November reporting workshops will be distributed via the Listserv.

Another Leading Edge Product – Just Waiting For You

Statewide Financial Systems, in collaboration with the Washington State Department of Agriculture, introduced its first production model of *Web Service*. An efficient, effective interface to OFM's Accounts Receivable System (AR).

This unique product can be used regardless of platform differences. For example, clients running non-Windows systems like Linux, Unix or even mainframes can readily use a web service running on a Windows server or – vice-versa! *Web Service* enables in-transit encryption technology for protection of sensitive data and transactions. It accommodates the seamless transfer of large volumes of data between systems. WSDA anticipates using this tool to transfer approximately 800,000 transactions annually into the OFM AR System.

As *Web Service* technology become more widespread, closer integration between internal and external financial systems will become more popular, making Digital Government a solid reality. To see how this product is helping WSDA, please turn to page 7. We are looking forward to sharing this great, new technology with your agency and invite you to contact Trinh Bui for additional information at trinh.bui@ofm.wa.gov / 360-664-7684.

SAAM – Travel Policy Update

Chapter 10, Travel of the *State Administrative and Accounting Manual* (SAAM) was updated effective October 1, 2003. The update reflects changes in lodging and per diem rates as established by the federal General Services Administration (GSA).

The King County lodging rate has decreased from \$143 to \$136 and the Island County lodging rate has decreased from \$64 to \$55. Changes have also been made to the San Juan County lodging rates. All of the subsistence rates have increased by \$1.

For the most current per diem rates for Washington State, please use the map at <http://www.ofm.wa.gov/policy/colormap.pdf>.

To view the most current per diem rates for locations outside of Washington State, use the internet links in the travel policy or go directly to the GSA website <http://www.gsa.gov/travel.htm>.

The complete text of SAAM can be found at www.ofm.wa.gov/policies.htm.

If you have questions on these revisions, please contact Andrea Brown at andrea.brown@ofm.wa.gov / 360-664-7773 or the Accounting Consultant assigned to your agency.

Sometimes Wishes Do Come True

EVER WISHED THERE WAS AN EASIER WAY TO DO TRANSACTIONS?

Want added features like:

- Recurring payments,
- Adjustments, or
- Distribution of costs?

Your wishes have been granted! *The Financial Toolbox* is a great, new web-based product, offered and maintained by Statewide Financial Systems. The *Toolbox* offers built-in security to interface the Agency Financial Reporting System (AFRS) financial transactions from your personal computer to the AFRS batch interface.

And, there's more...the *Toolbox* is offered at no cost to your agency.

For more information, or to use the *Toolbox*, please contact Cheryl Hainje at cheryl.hainje@ofm.wa.gov / 360-664-7691 or Rick Castro at rick.castro@ofm.wa.gov / 360-664-7685.



The Benchmark Project Moves Forward

The Benchmark Project was put into motion in preparation for profound changes to Washington State civil service in 2005. The project will make it possible to measure the effects of change between 2003 and 2006.

Benchmark findings will be used:

- As input to the design and implementation of the new Human Resource Management System (HRMS)
- To identify processes that are overly complex, cumbersome or duplicative
- To quantify the opportunities for improvement among the various processes measured

Kick-Off Meeting and Survey

Deputy Directors, HR Managers and Agency Coordinators from the 12 participating agencies attended a project kick-off meeting on July 31.

During this meeting the Agency Coordinators assisted the Mercer Group and Sierra Systems project consultants in modifying the survey tool to be used to collect baseline data.

The survey was administered via the Internet between August 25 and September 5. The response rate was amazing – more than 850 employees completed the survey, yielding a 100% participation rate!

Next Steps

During the months of September and October, Mercer Group and Sierra Systems will analyze the survey results, conduct interviews or focus groups to gather additional information and compile the findings.

A draft HR baseline report is due in mid November, and findings and recommendations will be presented to the Department of Personnel by December 5, 2003.

For more information about the Benchmark Project, contact:

Ginny Dale, DOP Enterprise Project Leader at
GinnyD@dop.wa.gov / 360-664-6262.

or

Kathy Rosmond, OFM Enterprise Baseline Project Leader at
Kathy.Rosmond@ofm.wa.gov / 360-664-7771. Or visit the website at: <http://hr.dop.wa.gov/hrreform/baseline.htm>.

A special thanks to the Agency Coordinators for their help in making the survey such a success:

Shalice Ando (DIS), Lisa Benavidez (LNI), Debb Chavira (WSP), Ellen Freeman (ESD), Tom Georg (DOC), Laura Kirschner (Printing), Susan Latham (OFM), Kerry Longhorn (DOP), Cyndy Putscher (GA), Virginia Sunde (DOL), April Thompson (DOR), Pam VanSpoor (GA) and Renee Zirkle (ATG).

WSDA Saves Resources and Gains Efficiency

Using OFM's AR System With Web Service

The Washington State Department of Agriculture's (WSDA) Fruit & Vegetable (F&V) Inspection Program is now using OFM's AR System to bill shippers and manage receivables.

WSDA introduced a new electronic Certificates of Compliance (COC) System. COC provides produce shippers with the ability to complete shipping permits online and to electronically submit information directly to F&V, reducing workload as well as errors and omissions. To compliment the COC System, WSDA needed an integrated financial and accounting package to generate accurate shipper invoices.

This need was fulfilled through the OFM AR System. It provides WSDA with core features such as invoicing, receipting, statements, interest charges and dunning letters, as well as accounting code pre-edits and automatic interface of AR information into AFRS. Shipping inspection data from the Certificate of Compliance (COC) System is extracted and transmitted to the AR System on a regularly scheduled basis via *Web Service*.

Web Service, developed especially for WSDA, further streamlined their business processes by reducing the need for additional data entry, thus enhancing the integrity and value of the data used to invoice shippers.

For more information or questions regarding the AR System, please contact Trinh Bui at trinh.bui@ofm.wa.gov / 360-664-7684.

IRS Update Classes - Available This Fall

The following Internal Revenue Service (IRS) training classes will be available for the Fall Quarter of 2003:

<i>Date</i>	<i>Topic</i>	<i>Location</i>
October 7	Compliance: Independent Contractor vs. Employee	Olympia
October 8	Forms 1098/1099 Reporting and Backup Withholding	Olympia

A New Class Has Been Added To The Training Roster

Beginning this Fall, a *Garnishment & Other Withholding Documents Processing Procedures* class will be offered on an ongoing annual basis. This in-depth course, developed largely by the Office of the Attorney General (AG), will provide much needed training on how garnishments, levies and other withholding documents must be handled. The class, taught by AG and OFM staff, will be offered twice this year:

<i>Date</i>	<i>Targeted For</i>	<i>Location</i>
October 15	General Government Agencies	Tumwater
October 23	Higher Education Agencies	Tacoma Community College

On-line registration for all classes is available at our OFM website: <http://www.ofm.wa.gov/training.htm>. If enrollment assistance is needed, please contact our Training Line at 360-725-5280.

Questions regarding course content should be directed to Millie Lund at millie.lund@ofm.wa.gov / or 360-664-7678.

Another Certificate of Achievement - We Did It Again!



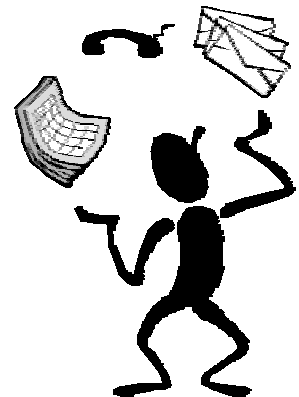
We are elated to announce that Washington State was awarded the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for our Fiscal Year 2002 Comprehensive Annual Financial Report (CAFR). This is the 16th consecutive year that we have received this prestigious award.

The award is especially meaningful this year because it is the first one awarded for a CAFR prepared in accordance with the new reporting standards required by the Governmental Accounting Standard Board's Statement 34 (GASB 34).

We very much appreciate and thank you for your patience and participation during the implementation of GASB 34; and extend our congratulations to everyone who contributed to this effort. Without the dedication and professionalism of state financial management personnel, this award would not be possible.

As a part of our agency sustainability efforts, we are referring all requests for paper copies to the online version. To view the Fiscal year 2002 CAFR, please visit our website at <http://www.ofm.wa.gov/accounting/financial.htm>.

If you have any questions, please contact the OFM Financial Consultant assigned to your agency.



*It is not the strongest
of the species that
survive, nor the most
intelligent, but the
one most responsive to
change.*

-Charles Darwin

Who's New?

in Accounting



Dotti Lane

Dotti Lane joined Statewide Financial Systems on September 15, 2003, as the Quality Assurance Project Manager. She will be managing the application testing and production control units. Dottie will also be working closely with project teams to improve OFM's software development processes.

Prior to coming to OFM, Dotti worked at the Department of Personnel as a project manager within the Human Resources Information Services Division; and the Department of Information Services as a project manager and capacity planner within their Computer Services Division.

Most of Dotti's spare time is spent sailing, going to the theatre and concerts, and working on her house (otherwise known as the money pit). Dotti can be reached at dotti.lane@ofm.wa.gov / 360-664-7720.



Susan Childers

Susan Childers joined OFM on October 1, 2003, as a Senior Financial Officer in Small Agency Client Services (SACS).

Before coming to SACS, Susan served as a Payroll Supervisor for the Southwest Region of the Department of Corrections (DOC). She has held various positions with DOC, including Local Business Advisor. As a Local Business Advisor, Susan was responsible for the accounting, budgeting, and payroll functions of a correctional facility. She also served at the Lottery Commission for a while, and was a member of one of the units that piloted OFM's Travel Voucher System.

In her spare time, Susan enjoys cooking, entertaining friends and gardening. Susan can be reached at susan.childers@ofm.wa.gov / 360-664-7663



Diann Lewallen

Diann Lewallen joined OFM on October 1, 2003, as a Senior Financial Officer in Small Agency Client Services (SACS).

Prior to joining SACS, Diann served as the Financial Manager for the Department of Services for the Blind (DSB). She spent most of her career at DSB, which makes her very familiar with the challenges and responsibilities faced by small agencies.

In her spare time, she enjoys spending time with her husband and two daughters - ages 8 and 12, gardening, cooking and reading. Diann can be reached at diann.lewallen@ofm.wa.gov / 360-664-7734.

Who's Moved?

in Accounting



Denise Tabler

Statewide Financial Systems is pleased to announce the addition of Denise Tabler to their staff of systems consultants. Denise has spent the last several years in OFM's Small Agency Client Services unit. She has an excellent and diverse background in all areas of Washington State accounting and budgeting processes and systems.

Denise's initial assignment will be with the AFRS and DRS systems. She can be contacted at denise.tabler@ofm.wa.gov / 360-664-7788.